GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:2071
ANSWERED ON:13.03.2008
FOOD PROCESSING INDUSTRIES IN THE RURAL AREAS
Gangwar Shri Santosh Kumar

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Government proposes to set up food processing industries in the rural areas to extend the employment opportunity at their doorstep;

(b) if so, the details thereof;

(c) whether the Government proposes to provide financial assistance to the food processing industries set up in private sector;

(d) if so, the name of industries to which financial assistance is likely to be provided; and

(e) if not, the reasons therefor?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRI (I/C) (SHRI SUBODH KANT SAHAI)

(a) to (e): For promotion of industries in the food processing sector, the Ministry of Food Processing Industries extends financial assistance for Establishment,Technology upgradation and Modernization of food processing units in the country including in rural areas , in the form of grant-in-aid @ 25% of the cost of plant and machinery and technical civil works subject to a maximum of Rs.50lakhs in General Areas or 33.33 % subject to a maximum of Rs.75 lakhs in Difficult Areas such as Jammu & Kashmir,Himachal Pradesh, Uttarakhand, Sikkim and North Eastern States, Andaman & Nicobar Islands, Laskshadweep and ITDP Areas. Under the Mini Mission IV of Technology Mission for Integrated Development of Horticulture in North Eastern States including Sikkim, Jammu & Kashmir, Uttarakhand and HimachalPradesh, assistance at still higher rates i.e.@50% upto Rs.4 crores for setting up of new food processing units and upto Rs.1crore for upgradation/modernization of existing units is available for units set up for processing of horticultural produce. Ministry of Food Processing Industries does not set up food processing industries on its own. The financial assistance provided under the above scheme for setting up, technology upgradation and modernization of food processing units is available to industries in the private sector as well. The financial assistance to units is considered based on the application submitted by them to the Ministry.